

City of Caldwell, Kansas

Annual Financial Report

December 31, 2011

Governing Body

Mark Arnold, Mayor

Michelle Schiltz, Finance Commissioner

Colin Wood, Public Works Commissioner

City Clerk

Casie Risley

Independent Auditor

Kenneth L Cooper Jr CPA, Chtd.

Certified Public Accountant

Caldwell, Kansas

City of Caldwell, Kansas
Statutory Basis Financial Statement
Year Ended December 31, 2011

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City of Caldwell, Kansas
Statutory Basis Financial Statement
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KENNETH L COOPER JR CPA, CHTD
Certified Public Accountant

Independent Auditor's Report

To the Honorable Mayor and City Commission
City of Caldwell
Caldwell, Kansas

I have audited the summary statement of cash receipts, expenditures, and unencumbered cash balances of Caldwell, Kansas, as of and for the year ended December 31, 2011. This financial statement is the responsibility of the City's management. My responsibility is to express an opinion on the financial statement based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit Guide*. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

The financial statement does not include financial data for the City's legally separate component units. Accounting principles generally accepted in the United States of America require the financial data for those component units to be reported with the financial data of the City's primary government unless the City also issues financial statements for the financial reporting entity that include the financial data for its component units. The City has not issued such reporting entity financial statements. Because of this departure from accounting principles, the cash and unencumbered cash, revenues received and expenditures incurred by the aggregate discretely presented component units have been omitted from the statement, and although not reasonably determinable, are presumed to be material.

As described more fully in Note 1, the City has prepared this financial statement using accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between these statutory practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In my opinion, because of the effects of the matters discussed in the preceding two paragraphs, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2011, the changes in its financial position, or, where applicable, its cash flows for the year then ended.

In my opinion, the primary government financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the City of Caldwell, Kansas, as of December 31, 2011, and the aggregate cash receipts and expenditures for the year then ended, on the basis of accounting described in Note 1.

My audit was conducted for the purpose of forming an opinion on the financial statement. The summary of expenditures-actual and budget and the individual fund schedules of cash receipts and expenditures-actual and budget (Schedules 1,2,3 and 4 as listed in the table of contents) are presented for analysis and are not a required part of the statutory financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statement. The information has been subjected to the auditing procedures applied in the audit of the financial statement and certain additional procedures, including comparing and reconciling such

information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statement as a whole.

The 2010 Actual columns presented in the individual fund schedules of cash receipts and expenditures-actual and budget, (Schedule 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2010 financial statements upon which I rendered an unqualified opinion dated October 19, 2011. The 2010 financial statements and my accompany report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, Office of Management Analysis and Standards at the following link <http://da.ks.gov/ar/muniserv/>. Such 2010 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2010 financial statements. The 2010 comparative information was subjected to the auditing procedures applied in the audit of the 2010 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2010 financial statements or to the 2010 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the 2010 comparative information is fairly stated in all material respects in relation to the 2010 financial statements as a whole.


Certified Public Accountant

August 23, 2012

City of Caldwell, Kansas
Summary of Cash Receipts, Expenditures and Unencumbered Cash (Statutory)
For the Year Ended December 31, 2011

	Beginning Unencumbered Cash Balance	Cash Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbr./ Accounts Pay.	Ending Cash Balance
Funds						
Governmental Type Funds:						
General	\$ 413,308	\$ 912,086	\$ 906,797	\$ 418,597	\$ 6,462	\$ 425,059
Special Revenue Funds:						
Special Highway	80,843	28,730	13,580	95,993	1,188	97,181
Special Parks and Recreation	1,109	2,308	-	3,417	-	3,417
Library Levy	140	18,224	17,695	669	-	669
Drug Enforcement	3,156	-	-	3,156	-	3,156
Equipment Reserve	75,874	22,000	10,463	87,411	-	87,411
Industrial Development	8,242	390	6,510	2,123	-	2,123
Special Law Enforcement	1,314	-	-	1,314	-	1,314
Cemetery Improvement	273,714	3,297	4,850	272,161	-	272,161
Fire Insurance Proceeds	-	-	-	-	-	-
Transient Guest Tax	-	3,349	-	3,349	-	3,349
Home Special Projects	-	49,763	49,763	-	-	-
Debt Service Funds:						
Bond and Interest	21,995	33,674	33,211	22,458	-	22,458
Capital Projects Funds:						
Multi-Year Capital Improvements	108,238	80,000	56,650	131,588	-	131,588
Community Bldg. Spec. Proj.	-	1,500	-	1,500	-	1,500
Non-expendable Trust Funds:						
Cemetery Endowment	123,629	5,889	1,539	127,979	-	127,979
Proprietary Type Funds:						
Sewer Utility	69,282	136,097	145,127	60,252	515	60,767
Storm Water Utility	2,057	9,636	-	11,693	-	11,693
Water Utility	101,954	1,131,937	1,027,339	206,552	2,315	208,867
Total (excluding fiduciary fund)	\$ 1,284,854	\$ 2,438,880	\$ 2,273,524	\$ 1,450,211	\$ 10,480	\$ 1,460,691
Composition of Cash Balance:						
Cash on hand, city Clerk						\$ 511
Cash in checking account:						
Stock Exchange Bank, checking account						7,583
Stock Exchange Bank, money market account						49,595
Stock Exchange Bank, Sewer fund money market account						787,137
Stock Exchange Bank, Special account						15,949
Cash in certificates of deposit						
Stock Exchange Bank						204,733
Caldwell State Bank						395,283
Total Cash						\$ 1,460,791
Less Fiduciary fund cash (Schedule 3)						(100)
Total primary government						\$ 1,460,691

City of Caldwell, Kansas

Notes to Financial Statement

December 31, 2011

1. Summary of Significant Accounting Policies

The City has established a uniform system of accounting maintained to reflect compliance with the applicable laws of the State of Kansas.

Reporting Entity

The City of Caldwell is a municipal corporation governed by an elected three-member commission. The City receives funding from local, state, and Federal governmental sources and must comply with the restrictions of these funding sources. However, the City is not included in any other "reporting entity" since the Commission is elected by the public and has decision making authority.

Discretely Presented Component Units. Under Governmental Accounting Standards Board (GASB) Statement 14, the City has two component units which under the statement would be included in the reporting entity. The City has elected not to include the financial statements of these component units in its financial statements, but has instead included component unit financial statements as appendices to this report to emphasize that they are legally separate from the city. The governing bodies of both of these component units are appointed by the city.

1. The Caldwell Public Library Board - The City of Caldwell Library Board operates the City's public library. Acquisition or disposition of real property by the board must be approved by the city. Bond issuances must also be approved by the city. Financial statements of this component unit can be found at Appendix 1.
2. Housing Authority - The City of Caldwell Public Housing Authority operates subsidized public housing. The housing authority can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the city. Financial statements of this component unit can be found at Appendix 2.

Budgets

Applicable Kansas statutes require that an annual operating budget be legally adopted for the general fund, special revenue funds (unless exempted by a specific statute), debt service funds and enterprise funds. All budgets are prepared utilizing the modified accrual basis further modified by the encumbrance method of accounting – that is, commitments evidenced by documents such as purchase orders and contracts, in addition to disbursements and accounts payable, are recorded as expenditures. The statutes provide for the following sequence and timetable in adoption of budgets:

City of Caldwell, Kansas
Notes to Financial Statement
December 31, 2011

1. Summary of Significant Accounting Policies (continued)

Budgets (continued)

- a. Preparation of budget for the succeeding calendar year on or before August 1st.
- b. Publication in local newspaper on or before August 5 of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- d. Adoption of final budget on or before August 25th

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no amendments to the proposed budget for the year ending December 31, 2011

Kansas statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison statements are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using statutory basis of accounting as described below. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital projects funds, fiduciary funds, and the following special revenue funds – special law enforcement, municipal equipment reserve, fire insurance fund and home special projects fund.

Spending in funds which are not subject to the legal annual operating budget requirement are controlled by federal regulations, other statutes, or by use of internal spending limits established by the governing body.

Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the budget has been adjusted when necessary to show compliance with the budget law.

City of Caldwell, Kansas

Notes to Financial Statement

December 31, 2011

1. Summary of Significant Accounting Policies (continued)

Statutory Basis of Accounting

The statutory basis of accounting, as used in the preparation of these statutory basis financial statements, is designed to demonstrate compliance with the cash basis and budget laws of the State of Kansas. Cash receipts are recognized when the cash balance of a fund is increased. Expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods and services, and are usually evidenced by a purchase order or written contract. For an interfund transaction, a cash receipt is recorded in the fund receiving cash from another fund, and an expenditure would be charged in the fund from which the transfer is made.

Departure from Accounting Principles Generally Accepted in the United States

The basis of accounting described above results in a financial statement presentation which shows cash receipts, cash disbursements, cash and unencumbered cash balances, and expenditures compared to budget. Balance sheets that would have shown noncash assets such as receivables, inventories, and prepaid expense, liabilities such as deferred revenue and matured principal and interest payable, and reservations of the fund balance are not presented. Under generally accepted accounting principles, encumbrances are only recognized as a reservation of fund balance; encumbrances outstanding at year end do not constitute expenditures or liabilities. Consequently, the expenditures as reported may not present the cost of goods and services received during the fiscal year in accordance with generally accepted accounting principles. General fixed assets that account for the land, buildings, and equipment owned by the municipality are not presented in the financial statements. Also, general long-term debt such as general obligation bonds, temporary notes, and compensated absences are not presented in the financial statements.

The municipality has obtained a waiver from generally accepted accounting principles which allows the municipality to revert to the statutory basis of accounting in compliance with K.S.A. 75-1120a(c).

Cash Equivalents

Idle funds are invested in certificates of deposit and in a commercial bank money market fund. These are considered cash and are stated at cost, which approximates market value. There are no cash equivalents.

Cash balances in all funds are considered in determining the amount to be invested, and unless specifically designated, investment income is generally apportioned to the various funds in the ratio of funds invested.

City of Caldwell, Kansas

Notes to Financial Statement

December 31, 2011

1. Summary of Significant Accounting Policies (continued)

Property Taxes and Other Receivables

In accordance with governing State statutes, property taxes levied during the current year are revenue sources to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and are levied and become a lien on the property on November 1 of each year. The County Treasurer is the tax collection agent for all taxing entities with the County. Property owners have the option of paying one-half or the full amount of the taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. Consequently, for revenue recognition purposes, the taxes levied during the current year are not due and receivable until the ensuing year.

Recognized state shared taxes represent payments received during the current fiscal period. State statutes specify distribution dates for such shared taxes. For revenue recognition purposes, amounts collected and held by the State on behalf of the City at year-end are not due and receivable until the ensuing year.

Federal and State grant aid is reported as revenue when the funds are received. Unrestricted aid is reported as revenue in the fiscal year the entitlement is received.

Licenses, franchises, fees, fines, penalties, charges for services and other revenues are recorded when received in cash.

Investments

Investments, consisting of certificates of deposit, are carried at cost, which approximates market value.

Risk Management

The City generally covers its risk of loss with insurance coverage. There have not been any claims in the past three years in excess of the amount of insurance.

General Fixed Assets

The City does not record capital fixed assets, such as land, building and equipment, in the general fixed assets account group, as required by generally accepted accounting principles. The disbursements for the purchase of these assets are considered as expenditures and no record of the fixed assets is reflected in the financial statements. Charter Ordinance No. 3 was adopted February 9, 1979, exempting the City from state statutes requiring fixed asset accounting.

City of Caldwell, Kansas

Notes to Financial Statement

December 31, 2011

1. Summary of Significant Accounting Policies (continued)

Special Assessments

Projects financed in part by special assessments are financed through the issuance of general obligation bonds, which are secured by the full faith and credit of the City. Special assessment taxes are levied over a ten or fifteen year period and the annual installments are due and payable with annual ad valorem property taxes. The City may foreclose liens against property benefited by special assessments when delinquent assessments are two years in arrears.

Lease Obligations

Long-term leases are not generally capitalized unless the terms of the lease include an option to purchase at such a price the payments made on the lease clearly represent the purchase of an economic interest.

Compensated Absences

All full-time employees earn vacation at the rate of ten days after one year of service, and fifteen days after fifteen years of employment. However, no unused vacation can be carried over from one employment year to another. Upon termination or resignation from service with the City, employees are entitled to payment for all accrued vacation earned prior to termination or resignation. All employees on permanent status earn sick leave at the rate of one calendar day per month with a 90-day maximum accumulation. Upon termination or resignation, any employee who has ten years or more of continuous service will be entitled to pay for up to 30 days at the employee's current rate of salary.

Pension Plan

Substantially all full-time employees are members of the State of Kansas Public Employees' Retirement System, which is a multi-employer statewide pension plan. The City's policy is to fund all pension costs accrued; such costs to be funded are determined annually by the System's actuary as further discussed in Note 5.

City of Caldwell, Kansas

Notes to Financial Statement

December 31, 2011

2. Fund Descriptions

In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The following types of funds comprise the financial activities of the City for the year 2011:

Governmental Funds

General Fund is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments or major capital projects) that are restricted, by law or administrative action, to expenditure for specified purposes.

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, interest and principal on general long-term debt, and the financing of special assessments which are general obligations of the City.

Capital Project Funds are used to account for financial resources segregated for the acquisition of major capital facilities (other than those financed by enterprise funds).

Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for others. These include expendable trust funds, nonexpendable trust funds and agency funds. Expendable trust funds are accounted for in essentially the same manner as governmental funds. Nonexpendable trust funds are accounted for in the same manner as proprietary funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Proprietary Funds

Enterprise Funds--to account for operations that (a) are financed and operated in a manner similar to private business enterprises--where the stated intent is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or net income is deemed appropriate for capital maintenance, public policy, management control, accountability or other purposes.

City of Caldwell, Kansas

Notes to Financial Statement

December 31, 2011

3. Cash and Cash Equivalents

Deposits

State law requires that the City deposit its funds in financial institutions that have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the bank's provide an acceptable rate of return. In addition, state law requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies which would limit concentration of credit or custodial credit risk. The City's deposits at year-end, consisting of checking and savings accounts, certificates of deposit and bank money market funds, had a book carrying amount of \$1,460,791. At December 31, 2011, the City had bank balances (before outstanding checks) and insurance and collateral coverage as follows:

	Stock Exchange Bank	Caldwell State Bank	Total
Insured	\$ 283,679	\$ 250,000	\$ 533,679
Uninsured, collateral held by the City's agent in the City's name	791,465	145,283	936,748
Total	<u>\$ 1,075,144</u>	<u>\$ 395,283</u>	<u>\$ 1,470,427</u>

Uninsured deposits are collateralized by pledged securities held under joint custody receipts issued by third-party banks in the city's name. The pledged securities are held under a tri-party custodial agreement between the city, the pledging bank, and the independent third-party bank holding the pledged securities. All City deposits are Category 1 secured, which has the lowest level of custodial credit risk.

The City is authorized by state law to invest in deposits of local financial institutions and, in certain instances, specified United States Treasury obligations and repurchase agreements. During 2011, the City held all funds in cash and cash equivalents.

City of Caldwell, Kansas
Notes to Financial Statement
December 31, 2011

4. Long Term Debt

Changes in Long Term Debt for the City for the year ended December 31, 2011 were as shown below. Total interest and service charges paid in 2011 were \$14,910.

Issue	Issue Date	Interest Rate	Maturity Date	Amount of Issue	1/1/2011 Balance	Additions	Reductions/Payments	12/31/2011 Balance
General Obligation Bonds								
Series 2009	4/15/2009	0.0%	4/1/2019	\$ 110,000	\$ 99,000	\$ -	\$ 11,000	\$ 88,000
Series 2010	9/22/2010	0.0%	9/28/2020	222,109	222,109	-	22,211	199,898
					<u>\$ 321,109</u>	<u>\$ -</u>	<u>\$ 33,211</u>	<u>\$ 287,898</u>
Capital Leases								
Steel Spreader	11/3/2009	4.01%	11/3/2012	11,696.00	\$ 7,546	\$ -	\$ 3,643	\$ 3,903
Accounting Software	8/14/2009	4.00%	8/14/2011	7,196.00	3,669	-	3,669	-
2010 Dodge Charger	2/15/2010	4.00%	2/15/2012	10,000.00	10,000	-	4,901	5,099
2 New Mowers	4/19/2010	4.00%	4/19/2013	10,309.83	10,310	-	10,310	-
2006 Chevy Truck	9/7/2010	4.00%	9/7/2012	15,275.00	10,000	-	10,000	-
2010 Dodge Charger	3/21/2011	4.00%	3/21/2015	23,865.00	-	23,865	5,161	18,704
2007 Chevy 2500 Truck	3/21/2011	4.00%	3/21/2015	20,486.00	-	20,486	4,425	16,061
					<u>\$ 41,525</u>	<u>\$ 44,351</u>	<u>\$ 42,109</u>	<u>\$ 43,767</u>
Compensated Absences					\$ 13,233		\$ 905	\$ 12,327
Temporary Notes								
Series 2010	10/15/2010	0.60%	4/11/2011	775,000.00	<u>\$ 775,000</u>	<u>\$ -</u>	<u>\$ 775,000</u>	<u>\$ -</u>
Water Revenue Bonds								
Series 2011	4/15/2012	3.25%	4/15/2051	775,000.00	<u>\$ -</u>	<u>\$ 775,000</u>	<u>\$ -</u>	<u>\$ 775,000</u>
Other Debt								
St of KS Water Pollution Revolving Loan Fund								
	7/3/2003	2.69%	3/1/2025	687,000.00	<u>\$ 530,596</u>	<u>\$ -</u>	<u>\$ 30,364</u>	<u>\$ 500,232</u>
Total Long-Term Debt					<u>\$ 1,681,463</u>	<u>\$ 819,351</u>	<u>\$ 881,589</u>	<u>\$ 1,619,224</u>

Compliance with Finance-Related Contractual Provisions

Water revenue bonds constitute special obligations of the City and are solely secured by a first lien on the net revenues of the water utility system. The revenue bond ordinance provides that the rates and fees charged by the water system be sufficient to pay expenses of the system, principal and interest on the bonds and provide reasonable reserves for the protection and benefit of the system. For 2011, net revenues were sufficient to pay all expenses, principle and interest.

Other miscellaneous provisions include: Maintaining proper books and records, annual audit and rate adjustment if necessary, reasonable and customary risk insurance, annual budget, annual report on system condition and recommendations by system employee or consulting engineer, quarterly reports to determine compliance with rate covenant and rate adjustment if necessary. The applicable provisions were complied with during 2011.

City of Caldwell, Kansas

Notes to Financial Statement

December 31, 2011

4. Long Term Debt (continued)

Debt maturities for long-term debt outstanding as of December 31, 2011 are as follows:

Schedule of Maturity of Long-Term Debt								
	2012	2013	2014	2015	2016	2017-2021	2022-2026	Total through 2026
Principle								
GO Bonds	\$ 33,211	\$ 33,211	\$ 33,211	\$ 33,211	\$ 33,211	\$ 121,843	\$ -	\$ 287,898
Capital Leases	17,184	8,515	8,858	9,210	-	-	-	43,767
Water Revenue Bonds	9,653	10,036	10,362	10,699	10,982	60,784	71,327	183,843
Other Debt	31,187	32,031	32,899	33,790	34,705	188,140	147,480	500,232
	<u>\$ 91,235</u>	<u>\$ 83,793</u>	<u>\$ 85,330</u>	<u>\$ 86,910</u>	<u>\$ 78,898</u>	<u>\$ 370,767</u>	<u>\$ 218,807</u>	<u>\$ 1,015,740</u>
	Total through 2026	2027-2031	2032-2036	2037-2041	2042-2046	2047-2051	2052-2056	Final Total
Principle (cont.)								
GO Bonds	\$ 287,898	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 287,898
Capital Leases	43,767	-	-	-	-	-	-	43,767
Water Revenue Bonds	183,843	83,700	98,182	115,267	135,263	158,745	-	775,000
Other Debt	500,232	-	-	-	-	-	-	500,232
	<u>\$ 1,015,740</u>	<u>\$ 83,700</u>	<u>\$ 98,182</u>	<u>\$ 115,267</u>	<u>\$ 135,263</u>	<u>\$ 158,745</u>	<u>\$ -</u>	<u>\$ 1,606,897</u>
	2012	2013	2014	2015	2016	2017-2021	2022-2026	Total through 2026
Interest								
GO Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Leases	1,766	1,071	728	379	-	-	-	3,944
Water Revenue Bonds	25,188	24,874	24,548	24,211	23,863	113,704	103,166	339,554
Other Debt	13,248	12,403	11,536	10,645	9,730	34,033	8,040	99,635
	<u>\$ 40,202</u>	<u>\$ 38,348</u>	<u>\$ 36,812</u>	<u>\$ 35,235</u>	<u>\$ 33,593</u>	<u>\$ 147,737</u>	<u>\$ 111,206</u>	<u>\$ 443,133</u>
	Total through 2026	2027-2031	2032-2036	2037-2041	2042-2046	2047-2051	2052-2056	Final Total
Interest (cont.)								
GO Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Leases	3,944	-	-	-	-	-	-	3,944
Water Revenue Bonds	339,554	90,798	76,284	59,253	39,265	15,809	-	620,963
Other Debt	99,635	-	-	-	-	-	-	99,635
	<u>\$ 443,133</u>	<u>\$ 90,798</u>	<u>\$ 76,284</u>	<u>\$ 59,253</u>	<u>\$ 39,265</u>	<u>\$ 15,809</u>	<u>\$ -</u>	<u>\$ 724,542</u>

City of Caldwell, Kansas

Notes to Financial Statement

December 31, 2011

5. Pension Plan

The City of Caldwell, Kansas participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by state statute. KPERS provides retirements benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas, Suite 100; Topeka, KS 66603-3869) or by calling 1-888-275-5737.

State statute K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary. The employer collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. State law provides the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. State law sets a limitation on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERS employers. The employer rate established by statute for January 1 through December 31, 2011 was 7.74% (includes 1% for insurance.) The City of Caldwell, Kansas employer contributions to KPERS for the years ended December 31, 2011, 2010 and 2009 were \$23,542.92, \$18,258, and \$11,112 respectively, and were equal to the statutory required contributions for each year.

6. Other Post Employment Benefits

As provided by state law, City retirees may participate in the group health insurance plan. As it is the State of Kansas group plan, they bill the participant directly and are responsible for the full premium. Any indirect subsidy paid by the City as a result of having retirees in the insurance pool has not been quantified in these financial statements.

7. Capital Projects Fund

There were no capital projects in 2011 requiring project authorization.

8. Interfund Transfers

Operating transfers were as follows:

From: Cemetery Endowment Fund	To: General	\$ 1,539
General Fund	Equipment Reserve	17,000
General Fund	Multi-Year Capital Improvements	70,000
Sewer Utility Fund	Multi-Year Capital Improvements	10,000
Sewer Utility Fund	Equipment Reserve	5,000

City of Caldwell, Kansas

Notes to Financial Statement

December 31, 2011

9. Stewardship, Compliance and Accountability

The fiduciary/ agency fund in Schedule 3 was in violation of the cash basis laws of the State of Kansas because of a \$3.00 deficit cash balance at December 31, 2011. There were no other violations of finance-related legal and contractual provisions during 2011. See Note 4 for compliance with debt-related contractual provisions.

10. Contingencies

Litigation

The City may be a party to various legal proceedings that normally occur in the course of governmental operations. The financial statements do not include accruals or provisions for loss contingencies that may result from these proceedings; however, there are no current proceedings against the City.

Grant Program Involvement

In the normal course of operations, the City participates in various federal, state or corporate grant programs from year to year. The programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

12. Subsequent Events

In January of 2012 the City issued GO Bonds Series 2012 in the amount of \$190,000 to finance the completion of the Community Building Project. The City also awarded a KLINK project to Lefarge, Inc.

City of Caldwell, Kansas
Summary of Expenditures--Actual and Budget (Statutory)

(Budgeted Funds Only)

For the Year Ending December 31, 2011

<u>Fund</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Favorable/ (Unfavorable)</u>
Governmental Type Funds:					
General	\$ 984,350	\$ -	\$ 984,350	\$ 906,797	\$ 77,553
Special Revenue Funds					
Special Highway	110,000	-	110,000	13,580	96,420
Special Parks and Recreation	5,000	-	5,000	-	5,000
Library Levy	20,282	-	20,282	17,695	2,587
Drug Enforcement	3,300	-	3,300	-	3,300
Industrial Development	9,000	-	9,000	6,510	2,490
Special Law Enforcement	1,314	-	1,314	-	1,314
Cemetery Improvement	25,000	-	25,000	4,850	20,150
Transient Guest Tax	-	-	-	-	-
Debt Service Funds:					
Bond & Interest	55,107	-	55,107	33,211	21,896
Non-expendable Trust Funds:					
Cemetery Endowment	6,000	-	6,000	1,539	4,461
Proprietary Type Funds:					
Sewer Utility	163,885	-	163,885	145,127	18,758
Storm Water Utility	12,000	-	12,000	-	12,000
Water Utility	<u>330,200</u>	<u>775,000</u>	<u>1,105,200</u>	<u>1,027,339</u>	<u>77,861</u>
Total primary government	<u>\$ 1,725,438</u>	<u>\$ 775,000</u>	<u>\$ 2,500,438</u>	<u>\$ 2,156,648</u>	<u>\$ 343,790</u>

City of Caldwell, Kansas**General Fund****Schedule of Cash Receipts and Expenditures - Actual and Budget
(Statutory Basis)***Years Ended December 31, 2011 and 2010*

		2011		
	2010			Variance-
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Favorable/ (Unfavorable)
<u>Cash Receipts</u>				
Taxes	\$ 525,474	\$ 558,753	\$ 479,503	\$ 79,250
Intergovernmental revenues	19,311	19,514	19,300	214
Licenses and permits	87,518	87,141	93,550	(6,894)
Fines and fees	6,363	7,674	5,225	2,449
Charges for services	32,847	28,368	45,600	(28,243)
Use of money and property	11,295	7,438	10,500	(3,062)
Other revenue	46,605	201,659	90,700	110,734
Bond Proceeds	222,109	-	-	-
Transfers from Cemetery Endowment	2,024	1,539	6,000	(4,461)
Total cash receipts	<u>\$ 953,546</u>	<u>\$ 912,086</u>	<u>\$ 750,378</u>	<u>\$ 149,987</u>
<u>Expenditures</u>				
Administrative	\$ 91,374	\$ 112,508	\$ 106,450	\$ (6,058)
Police	155,019	161,963	163,552	1,589
Fire	253,060	28,849	47,200	18,351
Public Works	180,108	151,657	225,100	73,443
Street lighting	21,097	21,317	28,000	6,683
Community building	11,805	11,114	25,500	14,386
Swimming pool	22,142	27,750	33,250	5,500
Employee benefit	131,203	203,488	203,500	12
Liability insurance	2,346	-	3,000	3,000
Capital Outlay/Contingency	2,000	101,151	61,798	(39,353)
Transfer to sewer utility	-	-	-	-
Transfers to municipal equipment-reserve	54,183	17,000	17,000	-
Transfers to multi-year capital improvements	42,000	70,000	70,000	-
Total expenditures	<u>\$ 966,337</u>	<u>\$ 906,797</u>	<u>\$ 984,350</u>	<u>\$ 77,553</u>
Receipts Over (Under) Expenditures	<u>\$ (12,790)</u>	<u>\$ 5,289</u>		
Unencumbered Cash Balance, Beginning	<u>426,098</u>	<u>413,308</u>		
Unencumbered Cash Balance, Ending	<u>\$ 413,308</u>	<u>\$ 418,597</u>		

City of Caldwell, Kansas
Special Highway Fund
Schedule of Cash Receipts and Expenditures - Actual and Budget
(Statutory Basis)

Years Ended December 31, 2011 and 2010

		2011		
	2010			Variance-
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Favorable/ (Unfavorable)</u>
<u>Cash Receipts</u>				
State payments	\$ 30,588	\$ 28,730	\$ 31,670	\$ (2,940)
KDOT reimbursement				-
Interest on investments	-	-	-	-
Total receipts	<u>\$ 30,588</u>	<u>\$ 28,730</u>	<u>\$ 31,670</u>	<u>\$ (2,940)</u>
<u>Expenditures</u>				
Salaries	\$ -	\$ -	\$ 2,000	\$ 2,000
Materials	1,335	1,188	3,000	1,812
Contracted services/capital outlay	-	2,400	95,000	92,600
Equipment Maintenance	26,321	9,992	10,000	8
Special Project	-	-	-	-
Total expenditures	<u>\$ 27,657</u>	<u>\$ 13,580</u>	<u>\$ 110,000</u>	<u>\$ 96,420</u>
Receipts Over (Under) Expenditures	\$ 2,932	\$ 15,150		
Unencumbered Cash Balance, Beginning	<u>77,911</u>	<u>80,843</u>		
Unencumbered Cash Balance, Ending	<u>\$ 80,843</u>	<u>\$ 95,993</u>		

City of Caldwell, Kansas
Special Parks and Recreation Fund
Schedule of Cash Receipts and Expenditures-Actual and Budget
(Statutory Basis)

Years Ended December 31, 2011 and 2010

		2011		
	2010			Variance-
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Favorable/ (Unfavorable)
<u>Cash Receipts</u>				
Local alcohol liquor tax	\$ 2,333	\$ 2,308	\$ 2,000	\$ 308
<u>Expenditures</u>				
Park	\$ 4,204	\$ -	\$ 5,000	\$ 5,000
Swimming pool	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	\$ 4,204	\$ -	\$ 5,000	\$ 5,000
 Receipts Over (Under) Expenditures	 \$ (1,871)	 \$ 2,308		
 Unencumbered Cash Balance, Beginning	 <u>2,980</u>	 <u>1,109</u>		
 Unencumbered Cash Balance, Ending	 <u>\$ 1,109</u>	 <u>\$ 3,417</u>		

City of Caldwell, Kansas
Library Levy Fund
Schedule of Cash Receipts and Expenditures-Actual and Budget
(Statutory Basis)
Years Ended December 31, 2011 and 2010

		2011		
	2010			Variance-
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Favorable/ (Unfavorable)</u>
<u>Cash Receipts</u>				
Ad valorem property tax	\$ 15,049	\$ 14,761	\$ 15,233	\$ (472)
Neighborhood Revitalization Rebate	(6)	(367)	(188)	(179)
Back-tax collections	-	980	900	80
Motor vehicle tax	1,532	2,773	2,305	468
16/20 M vehicles	51	46	17	29
Recreational vehicle tax	27	31	22	9
Reimbursement from Library	-	-	-	-
Total receipts	<u>\$ 16,652</u>	<u>\$ 18,224</u>	<u>\$ 18,289</u>	<u>\$ (65)</u>
<u>Expenditures</u>				
Transfer to library operating fund	\$ 22,749	\$ 17,695	\$ 20,282	\$ 2,587
Total expenditures	<u>\$ 22,749</u>	<u>\$ 17,695</u>	<u>\$ 20,282</u>	<u>\$ 2,587</u>
Receipts Over (Under) Expenditures	\$ (6,097)	\$ 529		
Unencumbered Cash Balance, Beginning	<u>6,237</u>	<u>140</u>		
Unencumbered Cash Balance, Ending	<u>\$ 140</u>	<u>\$ 669</u>		

City of Caldwell, Kansas
Drug Enforcement
Schedule of Cash Receipts and Expenditures-Actual and Budget
(Statutory Basis)
Years Ended December 31, 2011 and 2010

		2011		
	2010			Variance-
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Favorable/ (Unfavorable)
<u>Cash Receipts</u>				
Diversion fee	\$ -	\$ -	\$ -	\$ -
Dare Program	-		-	-
Other	-	-	-	-
Total receipts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Expenditures</u>				
Other	\$ 200	\$ -	\$ -	\$ -
Dare grant expenses	<u>150</u>	<u>-</u>	<u>3,300</u>	<u>3,300</u>
Total expenditures	<u>\$ 350</u>	<u>\$ -</u>	<u>\$ 3,300</u>	<u>\$ 3,300</u>
Receipts Over (Under) Expenditures	\$ (350)	\$ -		
Unencumbered Cash Balance, Beginning	<u>3,506</u>	<u>3,156</u>		
Unencumbered Cash Balance, Ending	<u>\$ 3,156</u>	<u>\$ 3,156</u>		

City of Caldwell, Kansas
Equipment Reserve
Schedule of Cash Receipts and Expenditures - Actual and Budget
(Statutory Basis)
Years Ended December 31, 2011 and 2010

	2010	2011
	<u>Actual</u>	<u>Actual</u>
<u>Cash Receipts</u>		
Interest on investments	\$ -	\$ -
Operating transfer from general fund	54,183	17,000
Operating transfer from sewer fund	<u>1,000</u>	<u>5,000</u>
Total receipts	<u>\$ 55,183</u>	<u>\$ 22,000</u>
<u>Expenditures</u>		
Street & Highway	\$ 1,667	\$ -
Police	11,168	10,463
Administration	732	-
Sewer	-	-
Park	-	-
Cemetery	-	-
Pool	-	-
Fire	<u>20,311</u>	<u>-</u>
Total expenditures	<u>\$ 33,878</u>	<u>\$ 10,463</u>
Receipts Over (Under) Expenditures	\$ 21,305	\$ 11,537
Unencumbered Cash Balance, Beginning	<u>54,569</u>	<u>75,874</u>
Unencumbered Cash Balance, Ending	<u><u>\$ 75,874</u></u>	<u><u>\$ 87,411</u></u>

City of Caldwell, Kansas
Industrial Development Fund
Schedule of Cash Receipts and Expenditures-Actual and Budget
(Statutory Basis)
Years Ended December 31, 2011 and 2010

		2011			Variance-
	2010				Favorable/
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>		<u>(Unfavorable)</u>
<u>Cash Receipts</u>					
Ad valorem property tax	\$ (1)	\$ -	\$ -	\$ -	-
Back-tax collections	-	90	-	-	90
Motor vehicle tax	-	-	-	-	-
16/20 M Trucks	-	-	-	-	-
Recreational vehicle tax	-	-	-	-	-
Miscellaneous Income	-	300	-	-	300
Total receipts	<u>\$ (1)</u>	<u>\$ 390</u>	<u>\$ -</u>	<u>\$ 390</u>	
<u>Expenditures</u>					
Development	\$ 2,803	\$ 2,803	\$ 3,000	\$ 197	
Capital Outlay	-	-	-	-	
Opera House	-	-	-	-	
Other dues	-	-	-	-	
Promotion	310	250	-	(250)	
Consulting	-	-	-	-	
Other	2,927	3,457	6,000	2,543	
Total expenditures	<u>\$ 6,040</u>	<u>\$ 6,510</u>	<u>\$ 9,000</u>	<u>\$ 2,490</u>	
Receipts Over (Under) Expenditures	\$ (6,041)	\$ (6,120)			
Unencumbered Cash Balance, Beginning	<u>14,283</u>	<u>8,242</u>			
Unencumbered Cash Balance, Ending	<u>\$ 8,242</u>	<u>\$ 2,123</u>			

City of Caldwell, Kansas
Special Law Enforcement
Schedule of Cash Receipts and Expenditures-Actual and Budget
(Statutory Basis)
Years Ended December 31, 2011 and 2010

		2011		Variance-
	2010			Favorable/
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>(Unfavorable)</u>
<u>Cash Receipts</u>				
Grant	\$ -	\$ -	\$ -	\$ -
Total receipts	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<u>Expenditures</u>				
Drug Equipment	\$ -	\$ -	\$ -	\$ -
Other	<u>-</u>	<u>-</u>	<u>1,314</u>	<u>1,314</u>
Total expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,314</u>	<u>\$ 1,314</u>
Receipts Over (Under) Expenditures	\$ -	\$ -		
Unencumbered Cash Balance, Beginning	<u>1,314</u>	<u>1,314</u>		
Unencumbered Cash Balance, Ending	<u>\$ 1,314</u>	<u>\$ 1,314</u>		

City of Caldwell, Kansas
Cemetery Improvement
Schedule of Cash Receipts and Expenditures-Actual
(Statutory Basis)
Years Ended December 31, 2011 and 2010

	2010	2011		
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Variance- Favorable/ (Unfavorable)
<u>Cash Receipts</u>				
Interest on investments	\$ 4,409	\$ 3,297	\$ 12,000	\$ (8,703)
Donations	-	-	-	-
Total receipts	<u>\$ 4,409</u>	<u>\$ 3,297</u>	<u>\$ 12,000</u>	<u>\$ (8,703)</u>
<u>Expenditures</u>				
Cemetery improvements	\$ -	\$ -	\$ -	\$ -
Other	<u>2,975</u>	<u>4,850</u>	<u>25,000</u>	<u>20,150</u>
Total expenditures	<u>\$ 2,975</u>	<u>\$ 4,850</u>	<u>\$ 25,000</u>	<u>\$ 20,150</u>
Receipts Over (Under) Expenditures	\$ 1,434	\$ (1,553)		
Unencumbered Cash Balance, Beginning	<u>272,280</u>	<u>273,714</u>		
Unencumbered Cash Balance, Ending	<u><u>\$ 273,714</u></u>	<u><u>\$ 272,161</u></u>		

City of Caldwell, Kansas
Fire Insurance Proceeds
Schedule of Cash Receipts and Expenditures-Actual
(Statutory Basis)
Years Ended December 31, 2011 and 2010

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Fire insurance proceeds	\$ 6,863	\$ -
Other	<u>-</u>	<u>-</u>
Total receipts	<u>\$ 6,863</u>	<u>\$ -</u>
<u>Expenditures</u>		
Other	<u>\$ 6,863</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ -	\$ -
Unencumbered Cash Balance, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash Balance, Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

City of Caldwell, Kansas
Transient Guest Tax Fund
Schedule of Cash Receipts and Expenditures-Actual
(Statutory Basis)
Years Ended December 31, 2011 and 2010

	2010	2011		
	<u>Actual</u>			Variance-
<u>Cash Receipts</u>		<u>Actual</u>	<u>Budget</u>	Favorable/ (Unfavorable)
Transient Guest Tax	\$ -	\$ 3,349	\$ -	\$ 3,349
Other	-	-	-	-
Total receipts	<u>\$ -</u>	<u>\$ 3,349</u>	<u>\$ -</u>	<u>\$ 3,349</u>
<u>Expenditures</u>				
Cemetery improvements	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
Total expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ -	\$ 3,349		
Unencumbered Cash Balance, Beginning	-	-		
Unencumbered Cash Balance, Ending	<u>\$ -</u>	<u>\$ 3,349</u>		

City of Caldwell, Kansas
Home Special Projects Fund
Schedule of Cash Receipts and Expenditures-Actual
(Statutory Basis)
Years Ended December 31, 2011 and 2010

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Grant	\$ -	\$ 49,763
Special Project	-	-
Donations	-	-
	<u>\$ -</u>	<u>\$ 49,763</u>
<u>Expenditures</u>		
Administration	\$ -	\$ 10,453
Architect Fees	-	-
Legal Fees	-	-
Construction	-	39,310
Other	-	-
Total expenditures	<u>\$ -</u>	<u>\$ 49,763</u>
Receipts Over (Under) Expenditures	\$ -	\$ -
Unencumbered Cash Balance, Beginning	<u>-</u>	<u>-</u>
Unencumbered Cash Balance, Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

City of Caldwell, Kansas
Bond and Interest Fund
Schedule of Cash Receipts and Expenditures-Actual and Budget
(Statutory Basis)
Years Ended December 31, 2011 and 2010

		2011		
	2010			Variance-
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Favorable/ (Unfavorable)
<u>Cash Receipts</u>				
Ad valorem - property tax	\$ 7,508	\$ 32,613	\$ 32,669	\$ (56)
Less NRP Rebates	\$ (3)	\$ (506)	\$ (466)	(40)
Back-tax collections	-	513	-	513
Motor vehicle tax	-	1,041	1,152	(111)
16/20 M Trucks	-	-	8	(8)
Recreational vehicle tax	-	13	11	2
Interest on investments	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Total receipts	 \$ 7,505	 \$ 33,674	 \$ 33,374	 \$ 300
 <u>Expenditures</u>				
Bond principal	\$ 11,000	\$ 33,211	\$ 36,000	\$ 2,789
Interest and fiscal charges	-	-	-	-
Cash basis reserve	-	-	19,107	19,107
Total expenditures	<u>\$ 11,000</u>	<u>\$ 33,211</u>	<u>\$ 55,107</u>	<u>\$ 21,896</u>
 Receipts Over (Under) Expenditures	 \$ (3,495)	 \$ 463		
 Unencumbered Cash Balance, Beginning	 <u>25,490</u>	 <u>21,995</u>		
 Unencumbered Cash Balance, Ending	 <u>\$ 21,995</u>	 <u>\$ 22,458</u>		

City of Caldwell, Kansas
Multi-Year Capital Improvement Fund
Schedule of Cash Receipts and Expenditures-Actual
(Statutory Basis)
Years Ended December 31, 2011 and 2010

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Investment income	\$ -	\$ -
Operating transfers from general fund	42,000	70,000
Operating transfers from Sewer fund	5,000	10,000
Total receipts	<u>\$ 47,000</u>	<u>\$ 80,000</u>
<u>Expenditures</u>		
Administration	\$ 11,531	\$ -
Swimming Pool	-	3,650
Cemetery	-	-
Building	5,091	53,000
Sewage Treatment	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 16,621</u>	<u>\$ 56,650</u>
Receipts Over (Under) Expenditures	\$ 30,379	\$ 23,350
Unencumbered Cash Balance, Beginning	<u>77,859</u>	<u>108,238</u>
Unencumbered Cash Balance, Ending	<u><u>\$ 108,238</u></u>	<u><u>\$ 131,588</u></u>

City of Caldwell, Kansas
Community Building Special Projects Fund
Schedule of Cash Receipts and Expenditures-Actual
(Statutory Basis)
Years Ended December 31, 2011 and 2010

	2010 <u>Actual</u>	2011 <u>Actual</u>
<u>Cash Receipts</u>		
Grant	\$ -	\$ -
Special Project	-	-
Donations	-	1,500
	<u>\$ -</u>	<u>\$ 1,500</u>
<u>Expenditures</u>		
Administration	\$ -	\$ -
Architect Fees	-	-
Legal Fees	-	-
Construction	-	-
Other	-	-
Total expenditures	<u>\$ -</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ -	\$ 1,500
Unencumbered Cash Balance, Beginning	-	-
Unencumbered Cash Balance, Ending	<u>\$ -</u>	<u>\$ 1,500</u>

City of Caldwell, Kansas
Cemetery Endowment Fund
Schedule of Cash Receipts and Expenditures-Actual and Budget
(Statutory Basis)
Years Ended December 31, 2011 and 2010

		2011		
	2010			Variance-
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Favorable/ (Unfavorable)</u>
<u>Cash Receipts</u>				
Lot sales	\$ -	\$ -		\$ -
Addition to Endowment	675	4,350	3,500	850
Interest on investments	<u>2,024</u>	<u>1,539</u>	<u>6,000</u>	<u>(4,461)</u>
Total receipts	<u>\$ 2,699</u>	<u>\$ 5,889</u>	<u>\$ 9,500</u>	<u>\$ (3,611)</u>
<u>Expenditures</u>				
General operating	\$ -	\$ -	\$ -	\$ -
Operating transfer to general fund	<u>2,024</u>	<u>1,539</u>	<u>6,000</u>	<u>4,461</u>
Total expenditures	<u>\$ 2,024</u>	<u>\$ 1,539</u>	<u>\$ 6,000</u>	<u>\$ 4,461</u>
Receipts Over (Under) Expenditures	<u>\$ 675</u>	<u>\$ 4,350</u>		
Unencumbered Cash Balance, Beginning	<u>122,954</u>	<u>123,629</u>		
Unencumbered Cash Balance, Ending	<u><u>\$ 123,629</u></u>	<u><u>\$ 127,979</u></u>		

City of Caldwell, Kansas
Sewer Utility
Schedule of Cash Receipts and Expenditures-Actual and Budget
(Statutory Basis)
Years Ended December 31, 2011 and 2010

		2011		
	2010			Variance-
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Favorable/ (Unfavorable)
<u>Cash Receipts</u>				
Sewer use fee	\$ 113,661	\$ 120,257	\$ 115,400	\$ 4,857
Delinquent sewer use fee	3,760	5,191	3,000	2,191
Sewer dump fees	650	969	500	469
Assessed sewer fees	-	332	500	(168)
Other reimbursement	-	-	-	-
Utility Overpayments	364	8,826	-	8,826
Miscellaneous	(28)	-	500	(500)
Interest on investments	1,580	522	1,580	(1,058)
Total receipts	<u>\$ 119,988</u>	<u>\$ 136,097</u>	<u>\$ 121,480</u>	<u>\$ 14,617</u>
<u>Expenditures</u>				
Salaries - plant	\$ 28,748	\$ 29,075	\$ 30,000	\$ 925
Salaries - admin	16,729	16,752	16,000	(752)
Utilities	1,974	2,313	4,500	2,187
Chemicals & supplies	431	3,919	3,000	(919)
Insurance	1,950	1,409	2,000	591
Equipment maintenance & rental	2,732	7,948	16,500	8,552
New equipment	3,549	4,727	5,500	773
Fuel	-	427	2,500	2,073
Consulting & Contractual	10,509	2,065	6,000	3,935
Dues & education	350	108	1,000	892
Debt service				
-principal	29,564	30,364	30,364	-
-interest	13,489	12,763	12,763	-
-loan fees	1,382	1,308	1,308	-
Capital improvements	-	-	-	-
Other	1,016	949	1,450	501
Miscellaneous	-	-	-	-
Reimburse General Fund-employee benefits	10,000	16,000	16,000	-
Operating transfer to Equipment Reserve	1,000	5,000	5,000	-
Operating transfer to Capital Improvement	5,000	10,000	10,000	-
Total expenditures	<u>\$ 128,422</u>	<u>\$ 145,127</u>	<u>\$ 163,885</u>	<u>\$ 18,758</u>
Receipts Over (Under) Expenditures	<u>\$ (8,435)</u>	<u>\$ (9,030)</u>		
Unencumbered Cash Balance, Beginning	<u>77,717</u>	<u>69,282</u>		
Unencumbered Cash Balance, Ending	<u>\$ 69,282</u>	<u>\$ 60,253</u>		

City of Caldwell, Kansas
Storm Water Utility
Schedule of Cash Receipts and Expenditures-Actual and Budget
(Statutory Basis)
Years Ended December 31, 2011 and 2010

		<u>2011</u>		
	<u>2010</u>	<u>Actual</u>	<u>Budget</u>	Variance- Favorable/ (Unfavorable)
<u>Cash Receipts</u>				
Utility Fees	\$ 2,057	\$ 9,636	\$ 10,400	\$ (764)
Interest on investments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>\$ 2,057</u>	<u>\$ 9,636</u>	<u>\$ 10,400</u>	<u>\$ (764)</u>
<u>Expenditures</u>				
Capital improvements	-	-	12,000	12,000
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,000</u>	<u>\$ 12,000</u>
Receipts Over (Under) Expenditures	<u>\$ 2,057</u>	<u>\$ 9,636</u>		
Unencumbered Cash Balance, Beginning	<u>-</u>	<u>2,057</u>		
Unencumbered Cash Balance, Ending	<u><u>\$ 2,057</u></u>	<u><u>\$ 11,693</u></u>		

City of Caldwell, Kansas
Water Utility
Schedule of Cash Receipts and Expenditures-Actual and Budget
(Statutory Basis)
Years Ended December 31, 2011 and 2010

		2011		Variance-
	2010	Actual	Budget	Favorable/ (Unfavorable)
	Actual			
Cash Receipts				
Water sales	\$ 25,103	\$ 326,315	\$ 275,555	\$ 50,760
Charges for services	-	3,325	-	3,325
Service line agreements	952	12,390	7,000	5,390
Bulk water	-	1,665	-	-
Reimbursements	1,218	6,128	-	6,128
Delinquent utility fees	201	5,569	11,000	(5,431)
Temporary note proceeds	775,000	-	-	0
Water revenue bond proceeds	-	775,000	-	-
Other	-	-	-	0
Interest on investments	-	1,545	-	1,545
Total receipts	\$ 802,474	\$ 1,131,937	\$ 293,555	\$ 61,717
Expenditures				
Salaries - plant	\$ 9,060	\$ 59,654	\$ 87,750	\$ 28,096
Salaries - admin	2,333	15,238	20,000	4,762
Utilities	3,230	16,662	15,000	(1,662)
Ads & Legals	330	229	500	271
Plant supplies & chemicals	1,594	21,339	2,000	(19,339)
Insurance	-	14,116	14,000	(116)
Building maintenance	-	632	-	(632)
Equipment maintenance & rental	3,952	3,662	24,000	20,338
New equipment	17,162	17,930	5,000	(12,930)
Fuel	-	1,167	5,000	3,833
Consulting & contractual	3,634	16,872	3,100	(13,772)
Dues & Education	20	1,039	650	(389)
Computer supplies & updates	-	1,478	4,000	2,522
Sales Tax	787	3,949	-	(3,949)
Debt service				
-principal	-	-	10,000	10,000
-interest	-	-	25,100	25,100
-loan fees	-	-	4,500	4,500
Capital improvements	-	-	10,000	10,000
Other	2,834	6,025	31,600	25,575
Reimburse General Fund - Emp. Benefits	-	68,000	68,000	-
Pay off temporary notes & fees	-	779,347	-	(779,347)
Purchase of Water Utility	649,770	-	-	-
Cost of Issuance	5,815	-	-	-
Total expenditures prior to budget credit	\$ 700,520	\$ 1,027,339	\$ 330,200	\$ (697,139)
Water revenue bond proceeds			775,000	
Total expenditures	\$ 700,520	\$ 1,027,339	\$ 1,105,200	\$ 77,861
Receipts Over (Under) Expenditures	\$ 101,954	\$ 104,598		
Unencumbered Cash Balance, Beginning	-	101,954		
Unencumbered Cash Balance, Ending	\$ 101,954	\$ 206,552		

City of Caldwell, Kansas**Agency Funds****Summary of Cash Receipts and Cash Disbursements***For the Year Ended December 31, 2011*

<u>Fund</u>	Beginning <u>Cash Balance</u>	Cash <u>Receipts</u>	Cash <u>Disbursements</u>	Ending Unencumbered <u>Cash Balance</u>	Add Outstanding Encumbr./ <u>Accounts Pay.</u>	Ending Cash <u>Balance</u>
Municipal Judges Training	\$ <u> -</u>	\$ <u> 1,467</u>	\$ <u> 1,470</u>	\$ <u> (3)</u>	\$ <u> 103</u>	\$ <u> 100</u>

City of Caldwell, Kansas

General Fund

Detailed Schedule of Cash Receipts and Expenditures-Actual and Budget

Years Ended December 31, 2011 and 2010

		2011			
	2010				Variance-
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>		<u>Favorable/ (Unfavorable)</u>
<u>Taxes</u>					
Ad valorem property tax	\$ 347,765	\$ 312,977	\$ 313,545	\$	(568)
Less NRP rebates	(143)	(8,133)	(3,942)		(4,191)
Delinquent tax collections	-	21,629	10,000		11,629
Special assessments	-	4,370	750		3,620
Motor vehicle tax	36,159	64,418	53,256		11,162
16/20 M tax	1,191	1,079	393		686
Recreational vehicle tax	629	727	501		226
Local sales and use tax	<u>139,874</u>	<u>161,686</u>	<u>105,000</u>		<u>56,686</u>
Total taxes	<u>\$ 525,474</u>	<u>\$ 558,753</u>	<u>\$ 479,503</u>	<u>\$</u>	<u>79,250</u>
<u>Intergovernmental Revenues</u>					
Highway connecting links	\$ 9,756	\$ 9,756	\$ 9,800	\$	(44)
Excise tax	1,135	1,450	1,500		(50)
Liquor tax	2,333	2,308	2,000		308
State Payments	87	-	-		-
County highway	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>		<u>-</u>
Total intergovernmental revenues	<u>\$ 19,311</u>	<u>\$ 19,514</u>	<u>\$ 19,300</u>	<u>\$</u>	<u>214</u>
<u>Licenses and Permits</u>					
Franchise fees	\$ 84,858	\$ 83,760	\$ 90,000	\$	(6,240)
Permits	245	245	150		95
Dog licenses	905	776	1,000		(224)
Alcohol licenses	775	1,075	1,600		(525)
Other licenses	<u>735</u>	<u>1,285</u>	<u>800</u>		<u>485</u>
Total licenses and permits	<u>\$ 87,518</u>	<u>\$ 87,141</u>	<u>\$ 93,550</u>	<u>\$</u>	<u>(6,894)</u>
<u>Fines and Fees</u>					
Traffic fines and fees	\$ 5,743	\$ 7,274	\$ 4,500	\$	2,774
Monument fees	375	400	400		-
Impound fees	225	-	300		(300)
Accident report fees	<u>20</u>	<u>-</u>	<u>25</u>		<u>(25)</u>
Total fines and fees	<u>\$ 6,363</u>	<u>\$ 7,674</u>	<u>\$ 5,225</u>	<u>\$</u>	<u>2,449</u>

City of Caldwell, Kansas

General Fund

Detailed Schedule of Cash Receipts and Expenditures-Actual and Budget

Years Ended December 31, 2011 and 2010

		2011			Variance-
	2010				Favorable/
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>		<u>(Unfavorable)</u>
<u>Charges for Services</u>					
Grave openings and closings	\$ 11,450	\$ 8,475	\$ 9,000	\$	(525)
Rural fire contracts and runs	15,110	2,695	30,000		(27,305)
Copies and faxes	11	1	100		(99)
Swimming pool receipts	5,788	5,686	6,000		(314)
Charges for Services	488	11,511	500		
Other	-	-	-		-
Total charges for services	<u>\$ 32,847</u>	<u>\$ 28,368</u>	<u>\$ 45,600</u>	<u>\$</u>	<u>(28,243)</u>
<u>Use of Money and Property</u>					
Interest on idle funds	\$ 4,150	\$ 2,451	\$ 3,500	\$	(1,049)
Sale of surplus property					-
Airport & hanger lease	2,241	1,741	3,000		(1,259)
Building rent	4,904	3,246	4,000		(754)
Total use of money and property	<u>\$ 11,295</u>	<u>\$ 7,438</u>	<u>\$ 10,500</u>	<u>\$</u>	<u>(3,062)</u>
<u>Other Revenue</u>					
Sale of cemetery lots	\$ 300	\$ 3,500	\$ 2,000	\$	1,500
Swimming pool concessions	2,721	3,259	3,500		(241)
Donations	11,392	75,732	1,000		74,732
Reimbursements	20,867	19,919	-		19,919
Reimbursement from Sewer	10,000	16,000	16,000		-
Reimbursement from Water	-	68,000	68,000		-
Grants	-	15,013	-		15,013
Endowment from Cem Lot (Int)	47	225	-		-
Miscellaneous	1,278	11	200		(189)
Total other revenue	<u>\$ 46,605</u>	<u>\$ 201,659</u>	<u>\$ 90,700</u>	<u>\$</u>	<u>110,734</u>
<u>Bond Proceeds</u>					
Bond Proceeds	<u>\$ 222,109</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$</u>	<u>-</u>
<u>Operating Transfers</u>					
Cemetery Endowment Fund	<u>\$ 2,024</u>	<u>\$ 1,539</u>	<u>\$ 6,000</u>	<u>\$</u>	<u>(4,461)</u>

City of Caldwell, Kansas**General Fund****Detailed Schedule of Cash Receipts and Expenditures-Actual and Budget***Years Ended December 31, 2011 and 2010*

	2010 <u>Actual</u>	2011		Variance- Favorable/ (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
Total general fund cash receipts	\$ 953,546	\$ 912,086	\$ 750,378	\$ 149,987
<u>Administration</u>				
Salaries	\$ 50,984	\$ 53,546	\$ 60,000	\$ 6,454
Office supplies	5,747	7,363	5,000	(2,363)
Utilities	4,301	5,657	5,000	(657)
Audit	7,350	7,350	7,200	(150)
Printing & legals	2,524	2,561	2,000	(561)
Building maintenance	5,468	9,528	3,000	(6,528)
Insurance and bonds	7,717	11,109	7,000	(4,109)
Education and dues	5,255	4,500	3,250	(1,250)
Planning Commission	-	-	500	500
Other	1,127	1,544	3,500	1,956
Unsafe buildings	900	9,350	10,000	650
Total Administration	\$ 91,374	\$ 112,508	\$ 106,450	\$ (6,058)
<u>Police</u>				
Salaries	\$ 104,935	\$ 107,416	\$ 113,000	\$ 5,584
Supplies	3,629	5,517	4,600	(917)
Computer supplies & updates	4,052	1,246	1,800	554
Utilities	3,637	4,288	3,800	(488)
Equipment maintenance & rental	2,282	498	2,800	2,302
Vehicle maintenance	5,196	4,397	4,500	103
New equipment	7,962	17,540	7,302	(10,238)
Fuel	8,146	11,733	8,000	(3,733)
Building maintenance	534	-	500	500
Insurance	8,940	6,478	13,750	7,272
Ads & legals	99	77	400	323
Dues & Education	2,147	854	1,700	846
Impounding dogs	300	-	600	600
Uniform maintenance	1,285	765	600	(165)
Miscellaneous	1,025	1,154	200	(954)
Drug Enforcement	851	-	-	-
Total Police	\$ 155,019	\$ 161,963	\$ 163,552	\$ 1,589

City of Caldwell, Kansas

General Fund

Detailed Schedule of Cash Receipts and Expenditures-Actual and Budget

Years Ended December 31, 2011 and 2010

		2011		
	2010			Variance-
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Favorable/ (Unfavorable)
<u>Fire</u>				
Salaries	\$ 2,400	\$ 2,400	\$ 2,500	\$ 100
Supplies	3,864	3,085	4,000	915
Equipment maint & rent	5,726	1,795	8,000	6,205
Building maintenance	-	-	1,500	1,500
Utilities	1,906	2,353	3,000	647
Insurance	4,698	3,970	6,500	2,530
Ads & legals	3,372	140	250	110
New equipment	219,184	2,255	3,500	1,245
City firemen reimbursement	3,098	3,312	5,000	1,688
Rural firemen reimbursement	3,670	4,196	6,000	1,804
Other	556	355	2,250	1,895
Fuel	4,299	4,788	4,000	(788)
Dues	<u>288</u>	<u>200</u>	<u>700</u>	<u>500</u>
Total Fire	<u>\$ 253,060</u>	<u>\$ 28,849</u>	<u>\$ 47,200</u>	<u>\$ 18,351</u>
<u>Public Works</u>				
Salaries	\$ 74,627	\$ 60,741	\$ 87,000	\$ 26,259
Supplies	13,641	11,639	8,500	(3,139)
Utilities	7,680	7,963	12,000	4,037
Ads & legal publications	598	443	200	(243)
Insurance	12,923	14,570	13,500	(1,070)
Equipment maintenance	10,523	3,497	11,500	8,003
Fuel	11,163	12,401	6,000	(6,401)
Equipment repair	2,464	605	7,000	6,395
Building maintenance	1,080	4,700	1,500	(3,200)
New equipment	10,473	25,101	22,850	(2,251)
Miscellaneous	1,278	2,376	10,550	8,174
Materials	6,064	5,298	12,000	6,702
Contracted work	24,330	1,427	25,000	23,573
Hydrant rental	1,794	-	3,800	3,800
Chemicals	686	68	1,500	1,432
Bindweed & Composting	<u>785</u>	<u>828</u>	<u>2,200</u>	<u>1,372</u>
Total Street & Highway	<u>\$ 180,108</u>	<u>\$ 151,657</u>	<u>\$ 225,100</u>	<u>\$ 73,443</u>

City of Caldwell, Kansas

General Fund

Detailed Schedule of Cash Receipts and Expenditures-Actual and Budget

Years Ended December 31, 2011 and 2010

		2011			
	2010				Variance-
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>		<u>Favorable/ (Unfavorable)</u>
<u>Street Lighting</u>	\$ 21,097	\$ 21,317	\$ 28,000	\$	6,683
<u>Community Building</u>					
Salaries	\$ 2,775	\$ 2,325	\$ 3,500	\$	1,175
Supplies	680	1,072	800		(272)
Equipment rental	315	40	1,500		1,460
Equipment maintenance	20	20	500		480
Utilities	3,817	3,577	6,000		2,423
Insurance	2,146	697	3,000		2,303
Building maintenance	1,052	1,383	10,000		8,617
Community Building Development	1,000	2,000	-		(2,000)
Other	-	-	200		200
Total Community Building	\$ 11,805	\$ 11,114	\$ 25,500	\$	14,386
<u>Swimming Pool</u>					
Salaries	\$ 13,805	\$ 14,934	\$ 16,000	\$	1,066
Supplies	435	681	3,000		2,319
Maintenance materials	-	1,585	2,000		415
Equipment maintenance	-	-	2,500		2,500
New equipment	-	-	-		-
Equipment rental	-	-	1,000		1,000
Utilities	4,057	3,964	4,000		36
Insurance	-	2,468	-		(2,468)
Chemicals	1,585	1,221	1,500		279
Merchandise	1,717	1,914	2,500		586
Sales tax	213	254	400		146
Schooling	240	635	250		(385)
Ads & legals	90	21	100		79
Other	-	73	-		(73)
Total Swimming Pool	\$ 22,142	\$ 27,750	\$ 33,250	\$	5,500
<u>Employee Benefits</u>					
Social security & Medicare	\$ 23,124	\$ 27,323	\$ 37,000	\$	9,677
Worker's comp	-	-	12,000		12,000
Unemployment tax	367	353	500		147

City of Caldwell, Kansas**General Fund****Detailed Schedule of Cash Receipts and Expenditures-Actual and Budget***Years Ended December 31, 2011 and 2010*

		2011		
	2010			Variance-
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Favorable/ (Unfavorable)
KPERS retirement	17,657	23,563	20,000	(3,563)
BlueCross/BlueShield	<u>90,056</u>	<u>152,249</u>	<u>134,000</u>	<u>(18,249)</u>
Total Employee Benefits	<u>\$ 131,203</u>	<u>\$ 203,488</u>	<u>\$ 203,500</u>	<u>\$ 12</u>
 <u>Liability Insurance</u>	 <u>\$ 2,346</u>	 <u>\$ -</u>	 <u>\$ 3,000</u>	 <u>\$ 3,000</u>
 <u>Capital Outlay</u>	 <u>\$ 2,000</u>	 <u>\$ 101,151</u>	 <u>\$ 61,798</u>	 <u>\$ (39,353)</u>
 <u>Operating Transfers</u>				
Sewer Utility	\$ -	\$ -	\$ -	\$ -
Municipal Equipment Reserve	54,183	17,000	17,000	-
Multi-Year Capital Improvements	<u>42,000</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>
Total Operating Transfers	<u>\$ 96,183</u>	<u>\$ 87,000</u>	<u>\$ 87,000</u>	<u>\$ -</u>
 Total general fund expenditures	 <u>\$ 966,337</u>	 <u>\$ 906,797</u>	 <u>\$ 984,350</u>	 <u>\$ 77,553</u>

City of Caldwell, Kansas
Caldwell Public Library

Accountant's Report and Financial Statements

Year Ended December 31, 2011

Kenneth L Cooper Jr CPA, Chtd

Certified Public Accountant

Wellington, Kansas

City of Caldwell, Kansas

Caldwell Public Library

Year Ended December 31, 2011

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KENNETH L COOPER JR CPA, CHTD
Certified Public Accountant

Independent Auditor's Report

To the Board of Directors
Caldwell Public Library
Caldwell, Kansas

I have audited the financial statements of the Caldwell Public Library, a component unit of the City of Caldwell, Kansas, as of and for the years ended December 31, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of the Library's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

As discussed in Note 1, The Caldwell Public Library of the City of Caldwell, Kansas prepared its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than accepted accounting principles generally accepted in the United States of America and the Library has omitted fixed assets from these financial statements.

In my opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the Caldwell Public Library of Caldwell, Kansas, as of December 31, 2011 and 2010, and the revenues received and expenditures paid for the years then ended on the basis of accounting described in Note 1.


Certified Public Accountant

July 24, 2012

City of Caldwell, Kansas
Caldwell Public Library
Statement of Assets and Liabilities
December 31, 2011 and 2010

Assets

	<u>2011</u>	<u>2010</u>
Cash in bank		
Stock Exchange Bank, general account		
General operating account	\$ 3,327	\$ 7,719
Capital improvement account	6,184	6,721
Caldwell State Bank, SCKLS account	<u>-</u>	<u>-</u>
	<u>\$ 9,511</u>	<u>\$ 14,440</u>

Liabilities and Fund Equity

Fund Equity

Cash balances, unappropriated	<u>\$ 9,511</u>	<u>\$ 14,440</u>
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City of Caldwell, Kansas
Caldwell Public Library
Statements of Cash Receipts, Disbursements and
Changes in Cash Balances
For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Cash Receipts</u>		
Appropriation from the City of Caldwell	\$ 17,695	\$ 22,749
SCKLS grant	5,768	5,358
State grant	557	643
Fines and fees	18	97
Donations	833	6,970
Other grants	2,709	2,527
Interest earnings	29	39
Other	333	1,070
	<hr/>	<hr/>
Total cash receipts	\$ 27,942	\$ 39,453
	<hr/>	<hr/>
<u>Cash Disbursements</u>		
Salaries (only paid 11 months in 2011)	\$ 11,113	\$ 12,384
Payroll taxes	612	1,093
Utilities	5,367	5,192
Repairs	1,997	642
Supplies	1,299	1,424
Books	2,250	3,380
Periodicals & electronic media	465	539
Summer reading program	691	629
Computer, automation and other equipment	2,215	-
Insurance	2,382	1,926
Contract services	750	750
Mileage	117	76
Capital outlay-building & furniture	1,532	-
Imaging project	1,148	2,848
Other	933	793
	<hr/>	<hr/>
Total cash disbursements	\$ 32,871	\$ 31,676
	<hr/>	<hr/>
Excess of Revenues Over (Under) Expenditures	\$ (4,929)	\$ 7,777
Cash Balance, Beginning of Year	<u>14,440</u>	<u>6,663</u>
	<hr/>	<hr/>
Cash Balance, End of Year	<u><u>\$ 9,511</u></u>	<u><u>\$ 14,440</u></u>

See accompanying notes to financial statements

City of Caldwell, Kansas
Caldwell Public Library
Notes to Financial Statements
Years Ended December 31, 2011 and 2010

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Caldwell Public Library (the Library) is a component unit of the City of Caldwell, created by a vote of the citizens under Kansas Statutes Annotated 12-1220. The Library has a seven member governing board which is appointed by the Caldwell City Commission. The Library receives funding for operating the City Library from the City of Caldwell and from other state agencies in the form of grants.

Basis of Accounting

The Library uses the cash basis of accounting. Revenues are recognized when cash is received and expenditures are recorded when cash is paid.

Inventory

Disbursements for inventory-type items are considered as expenditures at the time of purchase.

Fixed Assets

Fixed assets are charged to expense in the year of purchase, and no record of their purchase has been maintained in a general fixed asset group of accounts as required by generally accepted accounting principles.

Depository Security

Bank balances were 100% secured by F.D.I.C. insurance coverage.

Note 2: Building Project

The City of Caldwell acquired a building in downtown Caldwell and received grant and loan funding to rehabilitate it for use by the Public Library. The project began in 2008 and was completed in 2009. The Public Library now occupies the new site.

***City of Caldwell, Kansas
Caldwell Housing Authority***

Accountant's Report and Financial Statements

December 31, 2011

Kenneth L Cooper Jr CPA, Chtd

Certified Public Accountant

Wellington, Kansas

City of Caldwell, Kansas

Caldwell Housing Authority

Year Ended December 31, 2011

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KENNETH L COOPER JR CPA, CHTD
Certified Public Accountant

Independent Auditor's Report

To the Board of Directors
Caldwell Housing Authority
Caldwell, Kansas

I have audited the financial statements of the Housing Authority, a component unit of the City of Caldwell, Kansas, as of and for the years ended December 31, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of the Housing Authority's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

As discussed in Note 1, The Housing Authority of Caldwell, Kansas prepares its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In my opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities of the Housing Authority of Caldwell, Kansas, as of December 31, 2011 and 2010, and the revenues received and expenses paid for the years then ended on the basis of accounting described in Note 1.


Certified Public Accountant

July 18, 2012

City of Caldwell, Kansas
Caldwell Housing Authority
Statement of Assets & Liabilities - Cash Basis
December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Assets</u>		
<u>Current Assets</u>		
Cash in bank-general operating	\$ 11,981	\$ 3,091
Cash in bank-reserve accounts	21,822	30,371
Cash in bank-memorials/donations	<u>2,000</u>	<u>1,993</u>
Total cash	\$ 35,803	\$ 35,455
HUD loan prepayment	<u>-</u>	<u>785</u>
Total current assets	<u>\$ 35,803</u>	<u>\$ 36,240</u>
<u>Fixed Assets</u>		
Land	\$ 4,000	\$ 4,000
Building	217,512	217,512
Accumulated depreciation	<u>(216,690)</u>	<u>(210,140)</u>
Total fixed assets	<u>\$ 4,822</u>	<u>\$ 11,372</u>
Total Assets	<u>\$ 40,625</u>	<u>\$ 47,612</u>
<u>Liabilities and Fund Equity</u>		
<u>Liabilities</u>		
Notes payable, current portion	\$ 5,152	\$ 5,527
Notes payable, long term portion	<u>89,502</u>	<u>94,279</u>
Total liabilities	\$ 94,654	\$ 99,806
<u>Fund Equity</u>		
Retained earnings	<u>(54,029)</u>	<u>(52,194)</u>
Total Liabilities and Fund Equity	<u>\$ 40,625</u>	<u>\$ 47,612</u>

See accompanying notes to financial statements

City of Caldwell, Kansas
Caldwell Housing Authority
Statement of Income, Expense, and Changes in Retained Earnings -
Cash Basis

For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Income</u>		
Rental income	\$ 32,874	\$ 27,896
Government subsidy	3,756	5,616
Interest earned	322	308
Laundry, vending & misc	1,018	1,422
Donations	6,607	3,380
Property insurance reimbursement	8,583	15,862
Other revenue	<u>191</u>	<u>34</u>
Total income	<u>\$ 53,351</u>	<u>\$ 54,518</u>
<u>Expense</u>		
Repairs & maintenance	\$ 24,976	\$ 5,033
Painting & decorating	1,010	3,061
Grounds	-	-
Site management, salary	4,800	4,800
Payroll taxes	367	367
Insurance	5,037	4,923
Utilities	4,094	4,984
Miscellaneous	116	158
Depreciation	6,550	6,550
Appliances		-
Interest	<u>8,236</u>	<u>8,673</u>
Total expenses	<u>\$ 55,186</u>	<u>\$ 38,549</u>
Net income (loss)	\$ (1,835)	\$ 15,969
Retained earnings (deficit), beginning of year	<u>(52,194)</u>	<u>(68,163)</u>
Retained earnings (deficit), end of year	<u><u>\$ (54,029)</u></u>	<u><u>\$ (52,194)</u></u>

City of Caldwell, Kansas
Caldwell Housing Authority
Notes to Financial Statements
Years Ended December 31, 2011 and 2010

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Housing Authority (the Authority) is a component unit of the City of Caldwell. The Authority can sue and be sued, and can buy, sell or lease real property. Bond issuance must be approved by the City. The Authority rents subsidized housing to qualifying members of the community.

Basis of Accounting

The Authority uses a cash basis of accounting. Revenues are recognized when cash is received and expenditures are recorded when cash is paid. In addition to cash disbursements, depreciation on capital assets is recorded as an expense.

Fixed Assets

The Authority records fixed assets at cost and depreciates them using a straight line method over the asset's useful life, which varies from 5 to 50 years.

Note 2: Long – Term Debt

The following is a summary of long-term debt transactions of the Authority for the year ended December 31, 2011.

<u>Notes Payable</u>	<u>2011</u>	<u>2010</u>
Outstanding, January 1	\$ 99,806	\$ 104,906
Advances	0	0
Payments	<u>(5,152)</u>	<u>(5,100)</u>
Outstanding, December 31	<u>\$ 94,654</u>	<u>\$ 99,806</u>

The USDA makes a direct subsidy payment on these notes, which are collateralized by the Authority's real estate, the amount of which is recorded as revenue and note payment on the financial statements. The following individual notes payable to USDA make up the balance of notes payable. Maturity date is based upon the current monthly payment amounts.

<u>Note</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>December 31, 2011 Balance</u>
USDA #1	8.5%	3-31-22	\$ 89,804
USDA #2	8.0	3-31-22	<u>4,850</u>
			<u>\$ 94,654</u>

City of Caldwell, Kansas
Caldwell Housing Authority
Notes to Financial Statements
Years Ended December 31, 2011 and 2010

Note 2: Long-Term Debt (continued)

The principal and interest payments due on the notes for the next five years and thereafter are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2012	5,580	7,808	13,388
2013	6,072	7,316	13,388
2014	6,607	6,781	13,388
2015	7,189	6,199	13,388
2016	7,822	5,566	13,388
2017-2021	50,747	16,193	66,940
2022	<u>10,637</u>	<u>407</u>	<u>11,044</u>
	<u>\$ 94,654</u>	<u>\$ 50,270</u>	<u>\$ 144,924</u>

Note 3: Cash and Cash Equivalents

The Authority maintains four bank accounts which are fully insured by FDIC. There are no cash equivalents.

***City of Caldwell, Kansas
Caldwell Firemen's Relief Association***

Accountant's Report and Financial Statements

December 31, 2011

Kenneth L Cooper Jr CPA, Chtd.

Certified Public Accountant

Wellington, Kansas

City of Caldwell, Kansas
Caldwell Firemen's Relief Association
Year Ended December 31, 2011

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KENNETH L COOPER JR CPA, CHTD
Certified Public Accountant

Independent Auditor's Report

To the Firefighter's Relief Association
City of Caldwell
Caldwell, Kansas

I have audited the financial statements of the Firemen's Relief Association of Caldwell, Kansas, as of and for the years ended December 31, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of the Association's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

As discussed in Note 1, The Firemen's Relief Association of Caldwell, Kansas prepares its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In my opinion, the financial statements referred to above present fairly, in all material respects, the cash balances of the Firemen's Relief Association of Caldwell, Kansas, as of December 31, 2011 and 2010, and the revenues received and expenditures paid for the years then ended on the basis of accounting described in Note 1.


Certified Public Accountant

July 24, 2012

City of Caldwell, Kansas
Caldwell Firemen's Relief Association

Statement of Assets & Liabilities

December 31, 2011 and 2010

<u>Assets</u>	<u>2011</u>	<u>2010</u>
<u>Cash and Cash Investments</u>		
Checking and savings accounts	\$ 67,054	\$ 69,783
Certificate of deposit	<u>40,000</u>	<u>40,000</u>
	<u>\$ 107,054</u>	<u>\$ 109,783</u>
 <u>Liabilities and Fund Equity</u>		
<u>Fund Equity</u>		
Cash balance, restricted for benefits	<u>\$ 107,054</u>	<u>\$ 109,783</u>

City of Caldwell, Kansas
Caldwell Firemen's Relief Association
Statement of Cash Receipts, Disbursements and
Changes in Cash Balances
For the Years Ended December 31, 2011 and 2010

	<u>2011</u>	<u>2010</u>
<u>Cash Receipts</u>		
Kansas Insurance Commissioner	\$ 5,252	\$ 5,500
Interest earned	518	841
Refunds	<u>45</u>	<u>-</u>
Total cash receipts	<u>\$ 5,815</u>	<u>\$ 6,341</u>
 <u>Cash Disbursements</u>		
Insurance premiums	\$ 768	\$ 638
Retirement benefits	7,756	20,372
Treasurers bond	-	255
Bank charges	<u>20</u>	<u>-</u>
Total cash disbursements	<u>\$ 8,544</u>	<u>\$ 21,265</u>
 <u>Excess of Receipts Over (Under) Disbursements</u>	 <u>\$ (2,729)</u>	 <u>\$ (14,924)</u>
 <u>Cash Balance, Beginning of Year</u>	 <u>109,783</u>	 <u>124,707</u>
 <u>Cash Balance, End of Year</u>	 <u><u>\$ 107,054</u></u>	 <u><u>\$ 109,783</u></u>

City of Caldwell, Kansas
Caldwell Firemen's Relief Association
Notes to Financial Statements
Years Ended December 31, 2011 and 2010

Note 1: Nature of Operations and Summary of Significant Accounting Policies

Nature of Operations

The Firemen's Relief Association (the Association) provides insurance for volunteer firemen, with the Association named as beneficiary. Funds are accumulated to provide additional death benefits and retirement benefits for firemen through the purchase of annuity and insurance contracts.

Basis of Accounting

The Association uses a cash basis of accounting. Revenues are recognized when cash is received and expenditures are recorded when cash is paid. Payments to firemen's annuity contracts are recorded as an expense when made. Payments to the Association from these contracts are recorded as income when received and as benefit expense when paid. Since these contracts are payable to the firefighters, no asset is recorded on the financial statement for their value nor is a liability recorded for the amount payable to the firefighters.

Term Life Insurance

Five-year term life insurance policies provide the eligible firemen with \$10,000 of life insurance. The annual premiums are paid by the Association.

Depository Security

Deposited funds are totally secured by F.D.I.C.

Pension Plan

The Association established a defined contribution pension plan on January 1, 1985, to provide eligible members benefits for permanent disability, death or retirement. All members are eligible to participate in the plan after completing one year of service. A participant becomes fully vested in the plan after ten years of service and coverage under the plan for five consecutive years.

City of Caldwell, Kansas
Caldwell Firemen's Relief Association
Notes to Financial Statements
Years Ended December 31, 2011 and 2010

Note 1: Nature of Operations and Summary of Significant Accounting Policies
(continued)

Pension Plan (continued)

The Association annually allocates its yearly distribution from the State of Kansas equally to each firefighter. Investment earnings on the Association's funds are allocated and added to the account balance maintained for each firefighter. When a firefighter retires, the entire account balance credited to that individual is paid out as a lump sum retirement benefit. The retirement benefits paid in 2011 and 2010 were \$7,756 and \$20,372, respectively. Account balances of unvested participants are forfeited and allocated equally to remaining participants. Forfeitures were \$588 in 2011 and \$1,072 in 2010. The Association retains all funds in its accounts and maintains benefit records for each firefighter in its restricted cash balance accounts. No liability is shown on the financial statements for these benefits.